

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION

AT RICHMOND, AUGUST 18, 2017

COMMONWEALTH OF VIRGINIA, *ex rel.*

STATE CORPORATION COMMISSION

SCC-CLERK'S OFFICE  
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2017 AUG 18 A 10: 53

v.

CASE NO. INS-2017-00168

AETNA LIFE INSURANCE COMPANY,  
INNOVATION HEALTH PLAN, INC.,  
AETNA HEALTH, INC.  
and  
INNOVATION HEALTH INSURANCE COMPANY,  
Defendants

SETTLEMENT ORDER

Based on a market analysis inquiry performed by the Bureau of Insurance ("Bureau"), it is alleged that Aetna Life Insurance Company, Innovation Health Plan, Inc., Aetna Health, Inc., and Innovation Health Insurance Company (collectively, "Defendants"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), violated: § 38.2-511 of the Code of Virginia ("Code") by failing to maintain a complete complaint register; § 38.2-3559 of the Code by failing to comply with notice requirements for external review; 14 VAC 5-216-30 B of the Commission's Rules Governing Internal Appeal and External Review ("Rules"), 14 VAC 5-216-10 *et seq.*, by failing to comply with internal appeal and external review procedures; Rule 14 VAC 5-216-40 E (1) by failing to notify covered persons of the final benefit determination on a pre-service claim review request within 30 days of receipt; and Rule 14 VAC 5-216-40 E (2) by failing to notify covered persons of the final benefit determination on post-service claim review requests within 60 days of receipt.

The Commission is authorized by §§ 38.2-218, 38.2-219, 38.2-1040, and 38.2-4316 of the Code to impose certain monetary penalties, issue cease and desist orders, and suspend or

revoke a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has committed the aforesaid alleged violations.

The Defendants have been advised of their right to a hearing in this matter whereupon the Defendants, without admitting any violation of Virginia law, have made an offer of settlement to the Commission wherein the Defendants have tendered to Virginia the sum of Sixteen Thousand Dollars (\$16,000), waived their right to a hearing, and agreed to comply with the corrective action plan set forth in the Bureau's letter dated July 13, 2017.

The Bureau has recommended that the Commission accept the offer of settlement of the Defendants pursuant to the authority granted the Commission in § 12.1-15 of the Code.

NOW THE COMMISSION, having considered the record herein, the offer of settlement of the Defendants, and the recommendation of the Bureau, is of the opinion that the Defendants' offer should be accepted.

Accordingly, IT IS ORDERED THAT:

(1) The offer of the Defendants in settlement of the matter set forth herein is hereby accepted.

(2) This case is dismissed, and the papers herein shall be placed in the file for ended causes.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to: Carrie E. Whitaker, Compliance Manager, Aetna, Regulatory Compliance Unit, 6277 Stone Ridge Drive, Dublin, Virginia 24084; and a copy shall be delivered to the Commission's Office of General Counsel and the Bureau of Insurance in care of Deputy Commissioner Julie S. Blauvelt.